

SME WEEKLY NEWS

(7 October 2019 – 11 October 2019)

Countries	Highlights
<p>MALAYSIA</p> <p>2020 Budget: Improved loan scheme to help SMEs</p>	<p>The Skim Jaminan Pinjaman Perniagaan (SJPP) will be enhanced to better facilitate access to financing for SMEs. Finance Minister, Lim Guan Eng said the government guarantee will be increased from 70% to 80% for Bumiputera SMEs, export-oriented SMEs, and SMEs investing in automation and digitalisation. In addition, the government will reduce the guarantee fee to only 0.75%. A new SJPP allocation of RM500 million in guarantee facility will also be launched, earmarked for women entrepreneurs. The government will provide an annual interest subsidy of 2% to reduce borrowing costs as follows.</p> <ul style="list-style-type: none"> • a RM200 million fund specifically for women entrepreneurs, offering loans of up to RM1 million per SME; • RM300 million fund to support Bumiputera SMEs with potential to become regional champions, with priority given to producers of halal products and manufacturers with high local content. <p>The government would allocate RM10 million to MED to focus on advocacy and awareness for halal certification and halal product development.</p> <p><i>(Source: News Straits Times, 11 October 2019)</i></p>
<p>SINGAPORE</p> <p>DBS offers SMEs in logistics sector a digital solutions package</p>	<p>DBS Bank rolled out a digital solutions package for SMEs in the logistics sector, aiming to help them tackle challenges in regional expansion and keeping up with evolving consumer needs and emerging business trends. The package includes solutions for supply-chain financing and traceability, real-time trade financing applications and funds settlement through SME's enterprise resource planning or internal systems. Some other features are instant payment collections and refunds via the clients' online portals, mobile apps or DBS MAX. Singapore's logistics sector contributes about 7% to the GDP, and companies in the sector are looking to tap the growth of South East Asia's e-commerce industry, which is projected to grow to US\$100 billion by 2025. However, SMEs in the logistics sector face challenges including lack of access to trade financing solutions, operational inefficiencies from paper-based and manual processes, lack of supply chain traceability, and payment and collection inefficiencies, said DBS.</p> <p><i>(Source: The Straits Times, 9 October 2019)</i></p>
<p>CAMBODIA</p> <p>NA approves e-commerce draft law</p>	<p>The National Assembly has approved the Kingdom's draft law on e-commerce. The draft, which was prepared by the Ministry of Commerce with assistance from the Asian Development Bank, aims to regulate the Kingdom's e-commerce in line with the international community. It is expected to provide increased opportunity for SMEs to connect their supply chains to domestic and international markets, and promote innovation and creation of more goods & services. The draft will provide important ground rules for regulating Cambodia's e-commerce, as well as boost confidence both domestically and internationally. It will actively contribute to the development of the digital economy in Cambodia and embrace the Fourth Industrial Revolution. Director of the General Department of SMEs and Handicraft under the Ministry of Industry and Handicraft, said that through this law, the government will not only get revenue from tax collection, but also control the activities of e-commerce to facilitate policy development, as well as encourage and strengthen the capacity of those in the SME sector.</p> <p><i>(Source: Phnom Penh Post, 8 October 2019)</i></p>

THE ART OF TRANSFORMING BUSINESS

Digital age has transformed how the new generation of consumers is accessing information and entertainment. So what does it take for a business to be future-ready when the market trend is increasingly fluid and unpredictable? Perhaps the answer lies in being free from a rigid corporate structure and fixed business model — a strategy that seems to work for event and brand marketing company, Freeform Sdn. Bhd.

Founder and CEO, Adrian Yap started Freeform in 2000 and began life as an online and print media publisher. The company pioneered the first urban lifestyle publication in the country and sought to promote the local creative industry. Starting as a website, it expanded into a magazine a year later.



The lifestyle information platform was a thriving business, until digital disruption took hold. With fluid trend and a much wider access to different content and platforms, keeping the eyeballs and attention of its readers became a challenge.

Freeform eventually discontinued the magazines in 2009, and Yap started to look for new business models that could help position Freeform into a more agile organisation that can meet the demands of the new content consumption trend. Freeform has always been a storytelling company, but the decision to pivot to events and services was in response to the latest trends and to the changing expectations

of consumers. Looking at the company today, we can say the company currently owns two event trademark IPs, namely Tiffin, which host the group culinary related events, and Urbanscapes, which is Freeform's other lifestyle related events including music, fashion and art festivals," shares Yap.

On average, the company organises between 50 to 60 events yearly and serves about 10 to 15 different companies / brands. Client-based events currently contribute around 70% of the company's total revenue. The company has so far worked with 30 to 34 different consumer brands over the years, targeting youth and newer generation of consumers who are more in tune with digital trends.

Moving forward, Yap says Freeform is looking at expanding its brand building records by promoting more carefully curated events that can help drive brand awareness and build clients' engagement for companies and products. "More brands are adding elements of innovative experiential marketing techniques with the right mix of technology and creativity. This concept is applicable to retailers as well, where it can help bring products to life," says Yap.

Tiffin's main aim is to promote and develop emerging culinary talents and support local food entrepreneurs. Since the first Tiffin event in 2016, it has proven to be one of the most successful ventures by the company. These events are monetised through sponsorships, ticket sales as well as revenue from the sales of beverages and other non-food items. Meanwhile, Urbanscapes is the platform for the company to continue its creative ventures. "What we do is we promote Malaysia to be the host for world-renowned musicians to leave an indelible mark on popular culture," says Yap.

After 19 years, Freeform is still in its early days of expansion, as more brands are beginning to jump onto this new age marketing concept. It is looking at regional markets as potential new growth areas. Keeping a lean and flexible organisation structure has enabled Freeform to transform, survive and thrive in the fast paced and competitive digital age. Its next challenge is to expand on its services and bring Malaysia's soft cultures to the international stage.

(Source: The Star, 7 October 2019)

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